

**AN ORDINANCE
BY COUNCILMEMBER CLAIR MULLER**

06-O-1574

**AS SUBSTITUTED
BY TRANSPORTATION COMMITTEE**

AN ORDINANCE AMENDING THE 2006 (AIRPORT PASSENGER FACILITY CHARGE FUND AND AIRPORT REVENUE FUND) BUDGETS BY TRANSFERRING TO AND FROM APPROPRIATIONS THE AMOUNT OF \$12,000,000.00 OF PASSENGER FACILITY CHARGE REVENUE FOR THE PURPOSE OF FUNDING DEBT SERVICE CHARGES ASSOCIATED WITH RUNWAY 10-28 (5TH RUNWAY) AT THE HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT; AND FOR OTHER PURPOSES.

WHEREAS, in the years 2000 and 2003 the City issued bonds on behalf of the Department of Aviation for the design and construction of Runway 10-28 (5th Runway) and other purposes at the Hartsfield-Jackson Atlanta International Airport (Airport); and

WHEREAS, upon the beneficial occupancy of the 5th Runway, the City will commence recovering from the Atlanta Airlines the portion of the debt service associated with the aforementioned bonds and applicable to the 5th Runway project; and

WHEREAS, in October 2002, the City of Atlanta's Passenger Facility Charge (PFC) application was approved by the Federal Aviation Administration (FAA) to impose and use PFC revenue at the Airport for construction and financing of the 5th Runway; and

WHEREAS, the City now desires to use approved and collected PFC revenues for the purpose of paying a portion of the debt service associated with the aforementioned bonds applicable to the 5th Runway project; and

WHEREAS, the City must complete an Interfund Operations Transfer of funds from the Airport Passenger Facility Charge Fund (2H26) to the Airport Facility Revenue Bond Sinking Fund (2H53) to provide for proper execution and utilization of PFC funds to assist in the cost recovery of the 5th Runway.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS AS FOLLOWS:

SECTION 1: That appropriations in the 2006/ 2007 Airport Passenger Facility Charge Fund be transferred as follows:

TRANSFER FROM APPROPRIATIONS

2H26 791001 T11001	Reserve for Appropriation	\$12,000,000.00
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TRANSFER TO APPROPRIATIONS

2H26 762001 R21001	Interfund Operations Transfer	\$12,000,000.00
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SECTION 2: That the Chief Financial Officer be and is hereby authorized to pay \$12,000,000.00 from the 2006 Airport Passenger Facility Charge Fund (2H26 562001 R21001) to the Airport Facility Revenue Bond Sinking Fund (2H53 492415 B00001).

SECTION 3: That the 2006/ 2007 (Airport Facility Revenue Bond Sinking Fund) Budget be and is hereby amended as follows:

ADD TO ANTICIPATIONS

2H53	692415	B00001	Operations Trans. Fm.	\$12,000,000.00
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ADD TO APPROPRIATIONS

2H53	783001	T31Z03299999	Interest Due, January 1	\$ 6,000,000.00
2H53	783004	T31Z03299999	Interest Due, July 1	\$ 6,000,000.00
		Total		<u>\$12,000,000.00</u>

Section 4: That the City will now use approved and collected PFC revenues for the purpose of paying a portion of the debt service associated with bonds (Series 2000 Bonds, and Series 2003RF Bonds), applicable to the 5th Runway project.

Section 5: That PFC funds utilized to pay a portion of the debt service associated with bonds applicable to the 5th Runway shall be in the amounts of \$12,000,000 for calendar year 2007 and \$10,000,000 for calendar year 2008, effective sinking fund deposit date January 1, 2007.

Section 6: That all ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

Legislative White Paper

Committee of Purview: Transportation
Council Meeting Date: July 17, 2006
Legislation Title: Funding for Amended 5th Runway Financing
Requesting Dept.: Department of Aviation
Contract Type:

Justification Statement: A transfer of appropriations is needed to put funds in place for the City to exercise its authority to use additional approved Passenger Facility Charges (PFCs) to pay a part of the debt service associated with the General Airport Revenue Bonds ("GARB") allocated to Runway 10-28. The PFC amounts to be utilized shall be in the following amounts and during the following years:

<u>Calendar Year:</u>	<u>PFC Contribution:</u>
2007	\$12,000,000
2008	\$10,000,000

Background: The City has undertaken the design and construction of a 5th Runway designated Runway 10-28. Funding for this project was originally provided for in Airport Bonds issued in the years 2000 and 2003. However, debt service to be recovered from Atlanta Airlines begins with beneficial occupancy of the 5th Runway. The City received approval from the Federal Aviation Administration to impose and use Passenger Facility Charge (PFC) revenue for the construction and financing of the 5th Runway in 2003. The City and the Airlines may now benefit from utilizing PFC revenues to pay a portion of the debt associated the 5th Runway. The effect of utilizing PFCs to service debt is to reduce the debt service recovery applicable to the 5th runway that the City would otherwise collect from the Atlanta Airlines in the form of increased landing fees.

Fund Account Center: 2H26 791001 T11001 transferred to 2H53 783001 & 784001
T31Z03299999
Source of Funds: \$12,000,000 - 2H26 Airport Passenger Facility Charge Fund
Term of Contract: N/A
Method of Cost Recovery: N/A
Approvals:
 DOF:
 DOL:

Prepared By: Charles Bell
Contact Number: 404-209-2945 ext 147

RCS# 407
7/17/06
2:36 PM

Atlanta City Council

REGULAR SESSION

06-O-1574

AMEND 2006 BUDGET TRANS TO & FROM APPRO
\$22,000,000 RUNWAY 10-28(5TH RUNWAY)
REFER

YEAS: 12
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 2
EXCUSED: 0
ABSENT 2

Y Smith	Y Archibong	Y Moore	Y Mitchell
B Hall	Y Fauver	Y Martin	NV Norwood
Y Young	Y Shook	Y Maddox	Y Willis
B Winslow	Y Muller	Y Sheperd	NV Borders

06-O-1574

Legislative White Paper

Committee of Purview: Transportation
Council Meeting Date: June 5, 2006
Legislation Title: Funding for Amended 5th Runway Financing
Requesting Dept.: Department of Aviation
Contract Type:

Justification Statement: A transfer of appropriations is needed to put funds in place for the City to exercise its authority to use additional approved Passenger Facility Charges (PFCs) to pay a part of the debt service associated with the General Airport Revenue Bonds ("GARB") allocated to Runway 10-28. The PFC amounts to be utilized shall be in the following amounts and during the following years:

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Fund Account Center: 2H26 791001 T11001 transferred to 2H01 781001
T31Z01009999
Source of Funds: \$22,000,000 - 2H26 Airport Passenger Facility Charge Fund
Term of Contract: N/A
Method of Cost Recovery: N/A
Approvals:
DOF:
DOL:

Prepared By:
Contact Number:

Charles Bell
404-209-2945 ext 147